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IN NICARAGUA



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# AMERICAN POLICY IN NICARAGUA

BY  
HENRY L. STIMSON, M.A., LL.D.

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# AMERICAN POLICY IN NICARAGUA

## CHAPTER I

### THE HISTORICAL BACKGROUND

To understand the history of our relations to Nicaragua, it is necessary for us first to grasp certain geographical, racial and historical conditions of that nation. We Americans, in considering a foreign political problem are very prone to assume that the conditions which form the background of that problem are the same as our own. In the case of Nicaragua no worse error could be made.

The land area of Nicaragua is almost the same as that of the state of New York, but its population consists of less than 700,000 souls. The bulk of this population is settled in the great plain lying near the Pacific Ocean, where the most healthful cli-

mate is found and where the principal products of coffee, sugar, tobacco, corn and cattle are raised. This western portion of the country presents a pleasing aspect to the North American visitor, with open farming land interspersed with beautiful trees and cities of considerable size and antiquity. The Atlantic Coast, on the other hand—appropriately known as the Mosquito Coast, although it received this name from that of a tribe of Indians—where the rainfall is nearly double that on the west, is covered with a dense and unhealthy jungle. The population there is comparatively scanty and the occupation of the people confined to working a few small mines, to logging operations for mahogany and to the raising of bananas.

There are literally no lines of communication between these two districts, no railroads or even highways, nothing but jungle trails and tropical rivers by which to thread the difficulties of the mountainous barriers which lie between the two coasts.

In the south lies Lake Nicaragua, the largest body of fresh water between Lake Superior and Lake Titicaca, in Peru. Seventy-five years ago, this lake with its outlet into the Atlantic, the San Juan River, formed one of the great trade routes from our eastern states to California, and Commodore Vanderbilt operated lines of steamers over its waters. Now that is all over. Since the opening of the Panama route, first by rail and then by canal, this Nicaraguan transcontinental route has been completely abandoned. To-day the lake lies practically deserted. No transcontinental commerce moves over its waters, although, next to Panama, it still marks the route which offers the easiest line for the construction of an interoceanic canal.

Nicaragua and its four Central American sisters—Guatemala, Salvador, Honduras and Costa Rica—were discovered, conquered and settled by Spanish adventurers early in the sixteenth century. The



white conquerors, instead of driving off the Indian inhabitants, as happened in North America, enslaved them and intermarried with their women, and the present population is the result of that mingling. According to the census of 1920, the population of Nicaragua is 17 per cent white, 3 per cent pure Indian, 9 per cent negro and 71 per cent mixed—mainly Spanish and Indian. About 72 per cent of this population is illiterate. The negroes are mainly confined to the Atlantic Seaboard, having immigrated from the West Indies. Spanish law, customs, language and predilections prevail throughout the nation.

During the 300 years that these five countries were held as colonies by Spain, their population suffered much from oppression and violence.

The Indians, who continue to form the bulk of the population, were deprived of their own religious and moral customs and were given in their place a Christianity which was imposed upon them by force and of which, because of the cruel-

ty and licentiousness of their conquerors, they saw only the worst side. The oppression and violence which characterized the communities of the isthmus during their early history long prevented their social life from acquiring stability and made brute force rather than conscience and public opinion the ruling principle in private as well as public affairs.\*

During those centuries they were also kept in commercial isolation. They were permitted to trade with no nation but Spain, and with her only under grievous and burdensome restrictions. Agriculture and industry were hampered and export made difficult or impossible by burdensome regulations and taxes. Furthermore, their chief cities and principal communities were situated on the Pacific side of the isthmus and therefore communication of any sort with Europe was slow and difficult. In 1822, when they threw off the yoke of Spain, they had had practically no intercourse with the outside world and their

\**The Five Republics of Central America*, by Doctor Dana G. Monroe, page 12.

only government had been three centuries of despotism, broken now and then by unsuccessful revolts of the Indians against their masters.

When they became free from Spain our government recognized them as independent nations, and a year later, in 1823, by the Monroe Doctrine, we announced to the rest of the world that they were to remain free and were not to be subject to further European colonization. Using our American Constitution as their pattern, these nations thereupon chose for themselves probably the most difficult form of independent government—that of representative republics based upon manhood suffrage.

Under these circumstances it naturally soon became evident that they were not yet fitted for the responsibilities that go with independence, and still less fitted for popular self-government. Union with Mexico was first tried and soon ended. A federated union of the five republics was then attempted and lasted only a few years.



Since then, for nearly 100 years, each of the five nations has been working out its own problems of government separately, and in its efforts following out much the same course of struggle, trial and failure. Forms of self-government embodied in their constitutions soon proved unworkable to their inexperienced populations and in all the countries the result was a concentration of practically all the powers of government in presidential dictators.

An able president, in a Central American republic, exercises an absolute power for which it would be difficult to find a parallel anywhere in the civilized world. He is not restrained, like the absolute monarchs of Europe and Asia, by dynastic traditions or religious considerations, and he has little need to consider public opinion so long as he retains the good will of the army and of the office holders who owe their positions to him. He can often reelect himself for term after term and he is responsible to no one for the exercise of his authority or for the management of the public revenues. The country is so small that he can and does extend his control to matters of minor and purely local importance, even interfering with his

fellow citizens' personal affairs and family relations, without regard for the most sacred rights of the individual. It is in his power to exile, imprison or put to death his enemies, and to confiscate their property, while at the same time he can enrich and advance his friends.\*

The central cause of the breakdown of popular government in these countries lay in the failure in their hands of the system of popular election. The percentage of illiteracy among the voters in each of the countries was overwhelming, and great masses of the Indian population had for centuries occupied a position little if any better than serfs or slaves. It was easy therefore for them to be controlled by fraud or threats or force. Consequently, in each of the five nations, it developed that the results of elections were habitually controlled by the man or men who held the machinery of government, including the army and the police.

The constitutions adopted, though large-

\**The Five Republics of Central America*, by Doctor Dana G. Monroe, page 39.

ly modelled upon our own, have departed from our system by giving to the central government very great and concentrated powers over the departments and municipalities into which the nation was divided. The heads of the departments, who correspond to the governors of our states, instead of being elected by the voters of the departments, are, in Nicaragua, and I believe in most if not all the other four nations, appointed by the president of the republic; and this is true of most of the other local officers. There is therefore very little local self-government, that great school of democracy.

Out of these conditions it was easy for the system of dictatorships to develop, and instead of the people choosing their ruler by a free election, it soon became the universal rule for the president and his associates to dictate the result of the national elections. It is the literal truth that Nicaragua has never known a free election in our sense of the term. In later years there



have been slight signs of improvement. A better public opinion on the subject has developed and the means used by the government to control the result of the election have of late sometimes not been so crude and violent as in the past; but I believe it remains literally true that no Nicaraguan election has ever produced a result which was contrary to the wishes of the man or party which was in control of the government.

Under such conditions the only way left to these people to dispossess from the government a man or a party which was in control of it was by force. In default of a violent revolt on the part of the people against their government, that government remained indefinitely in power. Revolution thus became and for nearly a century has constituted a regular part of their political system.

The situation produced a vicious circle. The people, having been driven to violence in order to relieve themselves from the op-

pression of a dictator, have never cultivated the habit of peacefully abiding by the result of an election. They have come to realize that an election meant nothing. On the other hand, the revolutionary habit, once acquired, easily becomes habitual and inveterate, and the evils of continual revolution inevitably tended to concentrate into the hands of the government more and more arbitrary power.

In Nicaragua the evils of the situation are accentuated by the fact that the population is not homogeneous, but is divided into local and racial factions. True party government is easiest where people are homogeneous and divide politically merely upon issues of policy or principle. But in Nicaragua, although they have from the beginning had two great parties, known respectively as the Liberal and Conservative parties, these parties represent geographical and probably racial divisions and are not based upon any real differences of political principle. Thus from the founda-

tion of the government, the city of Leon has been the head centre of the Liberal Party and the city of Granada the head centre of the Conservatives, and this division extends throughout the rural territory surrounding these cities. Managua, the capital, was founded later than the two others and placed between them in an attempt to occupy a neutral position.

I was told by an American scientist who has lived for many years in the country, in charge of the work of sanitation conducted there by the Rockefeller Foundation, that in his opinion this division between the two great parties took its origin historically in the racial differences of the two Indian tribes which inhabited the country before its conquest by Spain, and that there was a distinct Liberal versus Conservative watershed which could be traced running through the country. Whether this is so or not, it is certainly true that the differences between Liberals and Conservatives in Nicaragua are based largely upon local



sentiment and are bitter beyond any party acrimony with which we are acquainted in the United States.

It is exceptional and difficult for a member of one party to live and do business in even a large city controlled by the other, while in the rural districts the feeling is even more acute and demonstrative. It can be easily seen what an additional burden is placed upon the task of popular government when a nation is so divided that the people of one locality look upon those of another almost as natural enemies.

As a result of these political conditions, the history of Nicaragua during the past sixty or seventy years presents a picture of successive periods during which one or the other of the two great parties was successful in holding the reins of government. Each of these periods was terminated by a revolution which placed the other party in power, and very often during the incumbency of one of the parties attempts at revolution would occur which were suppressed.

Thus from 1863 to 1893 the Conservatives held the reins of government. They were better organized than the Liberals, their leaders being composed of a few prominent families of Granada closely related by ties of blood and friendship. During that period, as a rule, they did not seek to continue a single man in power as president for many terms; but by mutual consent within this oligarchy of powerful families, they determined which of their members should succeed in holding the reins of government.

Revolutions against them were attempted a number of times, but none of them were successful until one in 1893 placed José Santos Zelaya, a Liberal, in the presidency. He remained in office for seventeen years, until 1910, when a revolution occurred which again placed the Conservatives in power. Zelaya's reign as dictator prior to 1910 had been a ruthless one. There had been many attempted revolts against him prior to the successful one and he had suppressed them with great severity.



As his long term of power progressed it became characterized more and more by tyranny and oppression over his enemies. Consequently, after his deposition in 1910, the country was in a condition of turmoil and unrest worse than any which it had known for many years.

During the period of violence which accompanied and immediately followed the deposition of Zelaya, the American Government sent its naval forces to Nicaragua to protect American life and property on both the east and west coast. In 1912 these forces were twice drawn into serious combat with revolutionary bodies, on one occasion the marines taking by assault the difficult and almost impregnable hill of Masaya. After these forces were withdrawn a legation guard of 100 marines was left at the capital, Managua, on the request of the Nicaraguan Government, for the purpose of assisting by its presence to stabilize the country. It remained there until August, 1925, some fourteen years,

without taking part in any fighting or violence. But probably in part owing to the moral impression produced by the presence of these 100 men, no very serious or successful attempt occurred at revolution during the time that they were there.

The Conservatives remained in power after the deposition of Zelaya from 1910 until 1924. This party again followed its group or family system of having each president after his term succeeded by another chosen by the group.

EFFORTS OF THE UNITED STATES TO ASSIST  
IN THE PURIFICATION OF ELECTIONS  
AND THE DISCOURAGEMENT OF REVOLU-  
TIONS

As I shall point out later, the United States, ever since we recognized their independence, has in many ways endeavored to lend its assistance to the five Central American countries in their progress along the difficult road to orderly self-government. Here it is relevant to recall only

some of the more recent efforts. In 1907 Mr. Roosevelt's Administration invited their representatives to a conference at Washington, where, with the assistance and advice of American representatives, mutual treaties of peace and amity were entered into by the five Central American nations, seeking to remove several of the chief causes of revolutions. Among other things, these nations agreed with one another not to recognize any government "which may come into power in any of the five republics as a consequence of a coup d'état or of a revolution against a recognized government so long as the freely elected representatives of the people thereof have not constitutionally reorganized the country."

Again, in 1923, another conference was held at Washington in which this mutual agreement not to recognize governments which might come into power by revolution or violence was renewed and made even more specific. And the United States



itself, though not a party to the treaty, announced that it would follow the same course of conduct in according or withholding recognition.

Of course, such a mutual covenant not to recognize a revolutionary government did not get at the root of the evil. So long as the custom of government-controlled elections continued, revolution offered the only means of deposing the party in control of the government. Under existing conditions, revolution was an essential part of the system, and to forbid revolution simply tended to perpetuate the power of the party or individual who happened to be in control of the government.

These facts were self-evident and were recognized among the Nicaraguans themselves. As far back as 1920 the United States, through the Department of State, began to use its influence to try to reach the root of the evil and assist the Nicaraguans to purify their elections. With the approach of the election of that year

the Department suggested to President Emiliano Chamorro the advisability of a reform in the electoral laws in order to insure a more nearly popular election. To secure such a reform it suggested that an expert should be sent from the United States to make a study of the system and suggest possible revisions in the law. President Chamorro, however, rejected this advice, claiming that the existing law was sufficient and uttering personal assurances that the election would be free. When, however, the registration and election came off, disorder and violence prevailed, and, as usual, the party favored by the government won.

Two years later, however, in 1922, the Nicaraguan Government accepted the recommendation of the State Department and appointed Doctor H. W. Dodds, of Princeton, as an expert to study the electoral situation. Doctor Dodds drafted an electoral law and that law was passed by the Nicaraguan Congress, although not until

changes in it had been made which seriously weakened its integrity. The Liberal, or opposition, Party formally requested the United States to supervise the presidential elections to be held under this law in 1924, but President Martinez, being in control of the government, refused to join in the request.

Nevertheless, election reform was in the air. It was known that the American State Department was keenly interested in having the election go off in a fair and free manner, and that unless this took place the American Government might not recognize the legality of the president who should be declared elected. Finally the moderate Conservatives and the Liberals united on a coalition ticket composed of Carlos Solorzano, a Conservative, as candidate for president, and Doctor Juan Sacasa, a Liberal, as candidate for vice-president. The extreme Conservative faction presented an opposition ticket headed by a former president, Emiliano Chamorro.



The coalition ticket was declared elected by a vote of 48,072 to 28,760 for the Chamorro ticket; but although the election had been comparatively free from overt violence, charges were insistently made that the government had aided the victorious ticket by widespread fraud and these charges were so current and widespread that the incoming administration entered office without either prestige or strength.

#### THE CHAMORRO COUP D'ETAT

For many years the United States had been seeking to withdraw its marines from Managua, but had been restrained by the importunities of the Nicaraguan Government. Many months prior to the 1924 election our government gave notice that the marines would be withdrawn on January 1, 1925, immediately after the inauguration of the new administration. On the urgent request, however, of President Solorzano we were prevailed upon to leave them there a few months more in order that his ad-

ministration might have time to become steady in the saddle. The marines were then withdrawn on August 4, 1925.

Order lasted just three weeks thereafter. The friends of General Chamorro, the defeated extreme Conservative candidate, had been making preparations for trouble. President Solorzano had appointed a coalition cabinet composed of both Liberals and Conservatives. On August 25, while the Liberal cabinet officers were attending a banquet, they were seized and locked up. Thereafter the Chamorro conspiracy rapidly progressed. On October 25 his supporters seized the Loma, the fortress which overlooks the city of Managua, and the possession of which dominates the capital. Vice-President Sacasa and subsequently President Solorzano left the country, claiming to be in fear of their lives. The membership of Congress was reconstituted by expelling eighteen Liberal and moderate Conservative members and their places were filled by adherents of Cha-



morro. He was then elected by Congress as a designate, or substitute, for the presidency and assumed the functions of that office on January 16, 1926.

All this was done over the protest of the American Government and against its warning that under the policy of the Washington conferences of 1907 and 1923 Chamorro could not expect to be recognized as a legitimate government either by us or by the other four Central American republics. He, however, persisted in his purpose; and as he came into possession of a full treasury resulting from the long period of peace while our marines were in Managua, he succeeded for nearly ten months in holding his own against the Liberal revolutions which promptly broke out against him. The first such revolution broke out in May and was quelled. By August the situation had again become so disturbed that we were obliged to send naval vessels to Bluefields and Corinto to protect Americans at those points. This action was taken only

after many repeated requests had been received from different parts of the United States for the protection of American lives and interests.

During the entire period of Chamorro's incumbency our government never ceased its moral pressure to induce him to withdraw. The representations of our chargé d'affaires at Managua were so insistent as to bring forth angry protests from the dictator. On January 22, 1926, and again on August 27, 1926, our secretary of state addressed to the Nicaraguan Government formal communications expressing disapproval of Chamorro's action in violating the treaties of 1923, which he himself had signed as a delegate. By October the combined pressure caused by the disapproval of this country which prevented him from raising any additional money by foreign loan, the increasing vigor of the revolutionists and finally dissatisfaction within his own party, the Conservatives, began to tell even upon Chamorro, who is an ex-

tremely determined and self-willed man, and he became ready to yield.

A conference was held during that month at Corinto on board the *U. S. S. Denver*, to which both Chamorro's government and the Liberals sent delegates to try to arrive at a settlement. This proved unavailing, and on October 30 Chamorro turned over the reins of government to Senator Uriza, who had been appointed the second designate by Congress.

#### THE ELECTION AND RECOGNITION OF DIAZ

The United States refused to recognize Uriza as president on the ground that he had been elected by the same illegal Congress which elected Chamorro. Thereupon a new extraordinary session of Congress was convoked. The eighteen senators and deputies who had been expelled by Chamorro from the previous Congress were invited to return and resume their seats. Of these, three returned to their seats and six others were represented by duly quali-



fied alternates who had been legally elected in 1924. This Congress thereupon, on November 10, elected Adolfo Diaz as first designate. At this session fifty-three members of Congress were present out of a total membership of sixty-seven. Of these, forty-four voted for Diaz and two for Solorzano the balance abstaining from voting.

The Nicaraguan Constitution provides in Article 106:

Art. 106: In case of the absolute or temporary lack of a President of the Republic, the office of Chief Executive shall devolve on the Vice-President, and in default of the latter, in one of the emergency candidates in the order of their election. In the latter case, if the Congress is in session, it shall be its duty to authorize the entrustment of the office to the Representative whom it may designate, who must fulfill the requirements for President of the Republic.\*

At the time of this election President Solorzano was in California and Vice-

\* From *Foreign Relations*, edition of 1918.

President Sacasa in Guatemala, the latter having been out of the country nearly a year. Thereupon, on November 17, the United States Government extended recognition to President Diaz.

I think the foregoing simple statement of the facts will dispose of many of the thoughtless and baseless criticisms that have been uttered against the action of our government in Nicaragua. Some have not hesitated to charge that we have intentionally sided with the Conservatives and against the Liberals; they have even gone so far as to assert that our naval forces were used for the direct purpose of promoting the candidacy of President Diaz.

The facts are that we accorded our recognition to a coalition administration elected in 1924 containing Doctor Sacasa, a Liberal, as its vice-president; that when this administration was overthrown by the Conservative, Chamorro, we not only refused him recognition but used every effort consistent with diplomatic usage to per-

suade him to withdraw and reconstitute a legal government. When our ships were sent to Nicaragua in August they were not sent to support any administration, but to protect American lives and property. Chamorro was then still in office and we were doing our best to get him out. Diaz had not been proposed as a candidate by anybody, Nicaraguan or American. Even when Chamorro finally resigned we did not recognize Uriza, to whom he delivered the reins of government, but declined to do so and it was not until every effort had been made to restore the legal *status quo* created by the election of 1924, and a properly reconstituted Congress had in the manner provided by the constitution elected Mr. Diaz as a designate, that we finally extended to him the recognition of our government.

It may be well also to remember here that the American officer who is vested by our American Constitution with the duty of determining which claimant in a foreign



government is legitimate is the President of the United States and no other. Neither the Senate nor Congress shares that duty. When the president in good faith has decided, as he did in November, 1926, that a given foreign government is legitimate and is recognized as such by us, so far as our government is concerned the process is ended. His action can no more be officially reviewed on the floor of the Senate than it can in the pages of this book.

The president's decision was not only rendered in good faith but was, in my opinion, perfectly correct according to the facts. Diaz was elected designate by an overwhelming majority of a Congress which had been reconstituted so that its membership was identical with that legally created by the general election of 1924. The action of this Congress therefore could not be rightly claimed to be tainted by the coup d'état of Chamorro, nor could it be rightfully said that Diaz was disqualified in any other way. True, he was a

Conservative, but the legally elected Congress was also Conservative in complexion. In former days he had been a political friend of Chamorro, but as I was reliably informed in Nicaragua, he had advised against Chamorro's coup d'état. That he was not a part of a Chamorro conspiracy is further indicated by the fact that the person whom Chamorro had chosen to succeed himself was not Diaz but Uriza, whom we refused to recognize.

When Diaz had peacefully and without violence been thus seated in office and had come into undisputed control, as he did, of the regularly organized government, occupying all the chief cities and practically all the territory of Nicaragua except the wild and uninhabited district where the revolution against Chamorro was still being waged he was evidently both *de jure* and *de facto* the ruler of Nicaragua.

Even if we should attempt to go behind the action of the reconstituted Nicaraguan Congress and interpret for ourselves the



Nicaraguan Constitution, instead of following the interpretation which that Congress adopted, we could not produce the result that Sacasa was the lawful president. For if we should disregard Sacasa's absence from the country on the ground that he had been illegally driven away by Chamorro, exactly the same thing had happened to Salorzano, the president. The latter, quite as much as the former, was the victim of Chamorro's violence, and if we were to insist that any absentee should be seated in office regardless of his absence, and regardless of the views of the Nicaraguan Congress, it must necessarily have been Salorzano and not Sacasa. Our recognition of Diaz as the legitimate president was immediately followed by that of Great Britain, France, Germany, Italy and Spain; also by that of the neighboring Central American countries of Salvador, Guatemala and Honduras.

Not until all this had happened did Sacasa appear on the scene. He had per-

sonally visited Mexico, seeking material and moral assistance for his cause. On December 1, 1926, two weeks after our recognition of Diaz had been proclaimed to the world, he landed at Puerto Cabezas, a small town on the wild eastern coast of Nicaragua, immediately adjoining the boundary line of Honduras, which thus offered a convenient refuge in case of attack, and surrounded by a small group of followers, proclaimed himself the constitutional President of Nicaragua and the commander in chief of the revolutionary forces. He was then immediately recognized by Mexico as the President of Nicaragua.

Undoubtedly it was the sovereign right of the Republic of Mexico to recognize as President of Nicaragua whomever she chose; but having regard to all the circumstances of the case and the time and manner in which it was done, I think it would be difficult for any friend of Mexico to say that, as between our recognition of Diaz

and her recognition of Sacasa, hers was not the more provocative action; or that it was not the more violative of the spirit of the convention of 1907, of which her government with our own had been a sponsor and promoter.

#### PROGRESS OF THE REVOLUTION AND LAND- ING OF AMERICAN MARINES

Arms and munitions were shipped from Mexico to the revolutionists even before Mexico had recognized Sacasa as president. These were carried from Mexico to Nicaragua by four successive vessels, the steamships *Foam*, *Concon*, *El Tropical* and *Superior*, the first of these ships proceeding in August and the last in December. On the other hand, our government had, in October, 1926, placed an embargo on the shipment of arms and munitions to all parties in Nicaragua and had requested the other Central American states and Mexico to join in this embargo with a view to minimizing the bloodshed. The four Cen-



tral American countries agreed to follow our suggestion and to coöperate in the embargo. Mexico declined. As to this, President Coolidge said in his message to Congress on January 10, 1927:

“As a matter of fact, I have the most conclusive evidence that arms and munitions in large quantities have been on several occasions since August, 1926, shipped to the revolutionists in Nicaragua. Boats carrying these munitions have been fitted out in Mexican ports, and some of the munitions bear evidences of having belonged to the Mexican Government. It also appears that the ships were fitted out with the full knowledge of and, in some cases, with the encouragement of Mexican officials, and were in one instance, at least, commanded by a Mexican naval reserve officer.”

It was not until after it had thus become abundantly clear that the revolutionists were receiving assistance from Mexico that our government decided to lift its em-



bargo and permit the Nicaraguan Government on its part to purchase arms and munitions. Otherwise we should have been unfairly siding against and hampering the efforts of the very government we had recognized as legitimate defending itself against its assailants.

With the aid of these Mexican arms and munitions, the revolution gained in violence and spread. Soon after he came into office, President Diaz formally notified our government that, owing to this Mexican assistance, it would be impossible for the Nicaraguan Government to protect the lives and interests of American citizens and other foreigners residing in Nicaragua. Shortly afterward the British, Belgian and Italian Governments sent us formal notice to the same effect and requested us to extend our protection to their citizens in Nicaragua.

Finally, in February, 1927, the British Ambassador in Washington notified our secretary of state "that the hostilities be-

tween the rebels and government troops have now resulted in a situation which threatens the safety of British lives and property in Corinto, Leon, Managua, Granada and Matagalpa," and after reminding our government that the British Government looked to us for protection to their British subjects, he informed us that they had decided to send a man of war to the west coast of Nicaragua, hoping that the presence of this vessel might have a moral effect on the situation and would be a base of refuge for British subjects.

In response to these requests from our own citizens and the governments of other countries notifying us that foreign lives and property were in danger, and also in response to the warning of the Nicaraguan Government itself that it could not protect such lives and property, our marines were landed in Nicaragua. Discretion as to how this well-known duty of protection should be carried out was properly left to our naval representative on the spot, Admiral

Latimer. He performed it in the way by which such protection has commonly been maintained in similar cases—namely, by establishing neutral zones within which there should be no fighting and where consequently such foreigners and their property might be safe. On January 8, a guard of 175 men was placed at Managua for our legation, and marine guards were also placed along the railway which forms the sole route of communication between Managua and the sea.

In taking this step Admiral Latimer proceeded with special care to avoid infringing upon the rights of either of the combatants. Thus, when he arrived at Bluefields in August, 1926, where the early fighting was taking place, finding it necessary to declare a neutral zone there for the protection of American and foreign lives, he obtained the consent of both the warring parties to the arrangement, and this consent was subsequently ratified in writing by both of them on October 26, 1926.



The same course was subsequently followed in the establishment of a neutral zone at Corinto.

Criticism has been made that our government deliberately established these zones for the purpose of interfering with the operations of the revolutionists by preventing them from capturing cities which they would otherwise have taken. Such accusations are easily made in the heat of conflict, and it is no doubt often simpler for a military commander to obtain his military objective if he does not have to conform to the usages of international law and spare the lives of neutrals. But that our naval commander had any other purpose than to carry out his plain duty of protection in the establishment of these zones will not be believed by anyone familiar with him or the situation. That he did not side with the Conservatives as against the Liberals is sufficiently indicated by the fact that Sacasa himself was conspicuously benefited by the establishment of the neutral zone at



Puerto Cabezas, under the protection of which he remained until the end of the war, issuing therefrom freely his revolutionary edicts and pronunciamientos.

To summarize the situation and its causes as it existed in March, 1927 when I was requested by the president to go to Nicaragua:

A coalition Conservative-Liberal Government having been lawfully established in 1925, our government removed from Managua the legation guard which had been there for fourteen years and endeavored to leave Nicaragua to its own resources for the maintenance of order. Thereupon Chamorro, the defeated Conservative candidate, immediately overthrew the coalition government by violence. Pursuant to the policy of the treaties agreed upon among the Central American states, with our approval and that of Mexico, we refused to recognize this Conservative Government of Chamorro and endeavored to persuade him to withdraw. Cha-

morro refused and defied us, remaining in office for nearly a year. Revolutions broke out against him which he was able to suppress or defeat so long as his money lasted. Finally, and chiefly through the failure of his finances, he was forced to resign and a legal government was reconstituted under Diaz, which we then recognized. Subsequently Mexico recognized the revolutionary government of Sacasa. On notice not only from our own citizens but from many foreign governments that American and foreign lives and property were in danger, we sent our naval forces to Nicaragua to protect them. This last took place while Chamorro was still in office.

In March, 1927, Diaz, the Conservative president, was in complete possession of the populous western portion of Nicaragua, including the capital, Managua, and the principal cities of Granada, Leon, Chinandega and Corinto. The revolutionists, partly because of the skill of their commander, Moncada, and partly by rea-

son of the arms and munitions and money furnished from Mexico, had captured many of the smaller towns on the Atlantic Seaboard and had made their way through the mountainous interior until they had come in contact with Diaz' main forces in the interior, not far from the town of Matagalpa; fighting had been stubborn and losses extremely heavy.

The long continued disorder and violence had also produced a general disintegration in the social fabric of the country; semi-independent bands of marauders were taking advantage of the situation to plunder even the settled districts. Our minister had reported to Washington that a general condition of anarchy was probably approaching.



## CHAPTER II

### THE SETTLEMENT OF 1927

On March 31, 1927, on the suggestion of the State Department, I was requested by President Coolidge to go to Nicaragua as his special representative to investigate for him the situation in that country, to confer with our Minister, Mr. Charles C. Eberhardt, and Admiral Julian L. Latimer, commanding the naval forces there, and to bring back my views for the use of our government. I was expressly given the utmost latitude with reference to observations on the policy theretofore adopted. The State Department not only put me under no restrictions as to comment or criticism, but, on the contrary, invited it. The president's only instructions other than to investigate and report were that if I should find a chance to straighten the matter out he wished I would try to do so.



No envoy ever received wider latitude or more loyal support. If errors of judgment were committed, the fault thereof lies at my door.

Although I had been intrusted with somewhat similar missions to Latin America when I was secretary of war, I had never been to Nicaragua, and, as it happened, had never in my public or professional life come in contact with any of its political or business problems. So far as ignorance could free it from prejudices or commitments, my mind was a clean slate.

My party consisted of Mrs. Stimson and myself, with Consul General William Dawson as interpreter. We sailed from New York on April 9 on the Chilean steamship *Aconcagua*. At the Pacific end of the Canal we were met by the United States cruiser *Trenton*, which took us 700 miles north to the Nicaraguan port of Corinto.

One of the controlling features of the Nicaraguan problem is the difficulty and

slowness of its communication with the outside world. Its large cities and main population lie near the Pacific Coast, where its only considerable seaport is that of Corinto. Regular liners are scarce on that coast; there is nothing to compare with the frequent service established by the United Fruit Company on the Caribbean side of the Isthmus, and passengers and mails going to and from Corinto must often wait two or three weeks for a liner or else travel by small freight steamers and tramps. As a consequence, the outside world receives very little direct news from Nicaragua except what comes through the expensive medium of cables and radio.

During the recent revolution the agents of Doctor Sacasa, the revolutionary chief, who maintained their posts near the Atlantic Seaboard not only at Puerto Cabezas in Nicaragua but in Costa Rica, Guatemala, Mexico and the United States, had far easier and cheaper communication with the American press than the Nicaraguan Gov-

ernment, whose mail communications had such a roundabout and slow journey to travel.

I found when I came to conduct my own investigation that this comparative superiority of facility enjoyed by revolutionist propaganda in reaching America had quite seriously warped the accuracy of our American news, inasmuch as most of the political statements which reached the American public came from revolutionary sympathizers, many of whom had not visited Nicaragua for years and consequently had no first-hand knowledge of existing conditions and opinion.

From Corinto the only railroad in the country, a narrow-gauge line, runs 130 miles southeasterly, parallel to the coast, touching the principal cities of Chinandega, Leon, Managua, the capital, and finally Granada on the border of Lake Nicaragua.

At Corinto we were met by Minister Eberhardt and Admiral Latimer and proceeded at once by rail to the capital, a jour-



ney of approximately 100 miles. That the country was in the grip of war was apparent even from the car windows. The portion of the land through which we passed was evidently of great fertility. There were long stretches of open farming country interspersed with park-like vistas of beautiful trees, but the fields were uncultivated and little farming was going on. A large portion of the city of Chinandega was in ashes. Almost every man or boy whom one met either in the country or cities was armed. It was a common sight to see a farmer driving his cattle or leading his pack horse with a military rifle strapped across his back, while the butt ends of revolvers and automatics produced telltale creases in the garments of such male Nicaraguans as one met or did business with in town.

The total absence of improved lines of communication in Nicaragua has exercised great influence on its history. Other than the railway, there were literally no roads connecting these important cities except



narrow rutted trails over which oxen with difficulty pulled the heavy Nicaraguan carts. In the rainy season most of these become impassable for anything except pack trains. Two improved roads lead out of Managua, the capital, in opposite directions, continue for a few miles and then stop. Motor transportation is impossible anywhere except in the dry season, and then only over a few roads and with great difficulty.

The Atlantic Coast of Nicaragua was distant from us much less than 200 miles as the crow flies, but it takes longer to get there than to go from New York to San Francisco, and the only way of going was by sea through the Panama Canal, unless one was willing to travel on foot through the jungle or to follow down a tropical river in a canoe.

#### METHOD OF INVESTIGATION

My first effort on arrival was to put myself in touch with all responsible sources of

public opinion in order that I might get at the underlying facts of the situation. I first conferred with our American representatives on the ground, Minister Eberhardt and Admiral Latimer, as well as General Logan Feland, who commanded the landed forces. I then immediately called on the president and held conferences with him and the members of his cabinet. I then sought to meet the responsible leaders of public opinion of all parties and factions. I visited Granada, which is the historic centre of the Conservative Party, and held conferences with the leading men of that city. I visited Leon, which is the corresponding centre of the Liberal Party, and held conferences with their leaders there. Day after day, for several weeks, I spent my mornings at Managua, receiving calls from such gentlemen as wished to give me their views upon the situation and its possible remedies.

It was comparatively easy to get the responsible views of the Conservatives, who

were well organized and in possession of the government. It was more difficult with respect to the Liberals, many of whose leaders were in exile or actually fighting in the revolutionary army. But fortunately many responsible Liberal leaders remained in the country, and as it became clear that I wished to get their views and that they would not be punished or persecuted by the government for visiting me and giving them to me, they came more and more easily and talked with me.

#### GENERAL RESULTS OF INVESTIGATION

As the result of this work, the following general conclusion gradually became clear in my mind:

First, as to the military situation and conduct of the war: The principal armies of the government and of the revolutionists were confronting each other in the wild, mountainous country near Muy Muy, between fifty and seventy-five miles northeast of Managua. At the time I left New



York, cable dispatches had reported important victories by the government forces over the revolutionists. I soon found, however, that these reports had been greatly exaggerated and that, though the government army had apparently forced back its opponents, the latter were not disorganized and soon afterward under their skilled leader, Moncada, they appeared again on the flank of their enemies at Boaco, considerably nearer to Managua.

Government garrisons occupied all the principal cities and towns in the neighborhood of the railways, and occasionally these garrisons were attacked or threatened by small groups of rebels operating independently. Some of these groups professed to be Liberals acting in coöperation with Moncada; others were mere guerrillas or bandits taking advantage of the war to prey upon the country. One of the former groups, under a leader by the name of Parajon, had attacked the city of Chinandega a couple of months before my arrival, and



after bloody and desperate fighting, had been driven off by the government forces. But in the course of the fighting a large portion of the city had been destroyed by fire.

The armies of both sides were largely recruited by conscription among the lower classes of the population. Unfortunate men were hauled from the logging camps on the Atlantic Coast by the Liberals or from their homes in the cities in the west by the Conservatives and forced into the respective armies to fight for causes about which they knew nothing. I myself saw boys of eleven and twelve side by side in the ranks with men old enough to be their grandfathers. Even women were to be found in both armies. But practically all in the rank and file came from the lower strata of the population and were of either Indian or mixed blood.

As a result of this system of conscription, there was a constant stream of desertions from both armies, gradually filling

the country with unorganized but armed men who constituted a source of disorder and banditry. Many of them found it much easier to live on the country than to work, and the possession of weapons as well as the disorganization of authority gave them abundant opportunity to do so.

On the other hand, when the armies came into contact they fought bravely and with great bitterness, and the losses in proportion to their numbers were large on both sides. Prisoners were not being taken by either side, and unmistakable evidence came to me that during the Chinandega fighting the wounded were butchered with great brutality.

The conditions of the climate and country where the battles were fought served also to render the fate of the wounded terrible beyond description. Flocks of vultures filled the air ready to pounce upon any victims unable to defend themselves. Except the slightly wounded, very few reached the hospitals that had been established in Managua.

In general, the military situation was one of deadlock. Both armies fought well on the defensive; neither possessed the organization or discipline for effective continuous offensive action. The Conservative forces were the more numerous; the Liberals had, under Moncada, the more skilful leader.

Under these circumstances, it was abundantly clear that a pacification of the country could not be looked for from the efforts of either army, and time was working rapidly toward a disintegration of all authority into a condition of anarchy. This last tendency would have been infinitely more rapid except that the presence of our marines, wherever they were located, indirectly lent assurance to the law-abiding portions of the populations—much as the mere presence of a big policeman tends to stabilize conditions when the air is full of rowdyism.

That the law-abiding and peaceful part of the population was thoroughly weary



and sick of war also became clear beyond any peradventure. On this the expressions of the women to my wife, who accompanied me and who met many representative Nicaraguan women, were quite significant. Though they are not invested with suffrage, Nicaraguan women play an important part in their communities, and the women of all parties whom we met, without exception, were against the war. Even close relatives of prominent revolutionary leaders were outspoken in their demand that their kin should not allow legal or constitutional questions to stand in the way of a fair compromise and an early peace.

To enforce this desire for peace, the rainy season was approaching, bringing with it the time for planting the annual crops and also making the movement of armed forces more difficult. Unless the war could be stopped in time for planting the new crop in June, another whole agricultural year would be lost. These factors served to emphasize the importance of an



early settlement and also contributed to make it more possible.

Another general feature in the situation which became perfectly clear was that the people of both parties were friendly to the United States, and were looking to us for active assistance to get them out of this deadlock and its distressing consequences. This was a surprise to me. I had expected to find the Conservatives friendly because of the general impression that their political fortunes had, ever since 1912, been favored by the presence of our legation guard of marines in Managua. I had expected to find a corresponding resentment on the part of the Liberals and that perhaps the chief political stock in trade of that party would be anti-Americanism. I had been prepared for this not only by the outgivings of some of the Liberal propagandists in the United States but also by the assertions of American critics of our Nicaraguan policy.

I consequently tested this phenomenon

with particular care, trying to make allowances for all misleading factors. As a result, I found the leaders of both parties earnestly seeking our intervention and asserting the paramount interest of the United States in the establishment and maintenance of orderly and responsible government throughout Central America.

These sentiments were expressed to me not only by the moderate Liberals who were living in the country but by men who were in active revolution. They were expressed to me by the Sacasa delegates when I met them later. General Moncada, the head of the revolutionary forces in the field, in former times had put himself on record publicly in support of the right of the United States to intervene in Nicaragua to assist in the establishment of order and liberty.

In the next place, the form of assistance which all parties desired and were agreed upon was that we should supervise the conduct of their coming national election in

October, 1928. Under the Nicaraguan Constitution, their president is elected every four years, on the same year as our American president. Their Congress consists of a Senate and House of Deputies; one-third of the Senate and one-half of the house is elected every two years.

The leaders of all parties readily admitted that Nicaragua had never had a really free election; that the government habitually controlled the result and that the habit was so inveterate and ingrained that they could only hope to obtain a fresh fair start through outside assistance in supervising the conduct of their polls. The Liberals, being out of control of the government machinery, were even more emphatic than the Conservatives in demanding that the supervision should be thorough and effective, and that if undertaken by Americans, these should be given sufficient police power to prevent fraud and intimidation on the part of the authorities.

In their recognition of government-con-



trolled elections as the fundamental evil in their system, these Nicaraguan leaders were in agreement with thoughtful students of Central American politics, and that they should thus unite upon this basic problem was in itself an encouraging feature of the situation. On the other hand, the difficulties and dangers of such supervision were manifest. A year previously I had made a personal study of the American attempt to supervise the plebiscite in Tacna-Arica and was thoroughly familiar with the way in which the patient and earnest efforts of General Pershing and General Lassiter to hold a fair election had been thwarted by the fact that the police power over the territory was in the hands of one of the parties, and that the American commissioner had not sufficient authority to maintain order and prevent intimidation. I was determined therefore not to recommend to President Coolidge that he assume any responsibility for such supervision unless at the same time the



American representatives who conducted the election were given sufficient power to make good.

In applying the problem of holding a fair election to existing conditions in Nicaragua, certain requirements were clear: There must first be peace and general amnesty. There must be then a complete disarmament, so far as possible, of the entire population, in which at the time every man was going about with his hand metaphorically on his pistol pocket. Finally a new and impartial police force must be created to take the place of the forces which the government was in the habit of using to terrorize and control elections. These forces included both the army and the old local police. The government in Nicaragua is so centralized that it not only controls the national army but its power reaches directly down into every department and municipality and controls the local police.

An effort had been made, two years ago,

to establish an impartial national constabulary under the instruction of a retired American officer recommended by our government. The effort had failed, and under the Chamorro régime the constabulary had been debauched and diverted from its non-partisan status largely because the power of the American officer had been limited to instruction and not command. Under the existing situation it was clear that to render impartial and effective service in protecting the polls such a constabulary must be created, instructed and temporarily commanded by Americans who, being members of our active military forces, had their future record to consider and were above local temptation. This meant practically that it should be so instructed and officered temporarily by men of our Marine Corps. Fortunately several precedents for the success of such a constabulary exist in the Philippines and in Haiti.

These conditions were drastic, but they were demanded by a drastic situation.

They pointed out the only road by which a bloody and devastating revolution could be stopped and ballots substituted for bullets in determining whether Conservatives or Liberals should hold the reins of government. Furthermore it was legitimate to hope that if a generally admitted fair election could once be held, it might serve as a guide and pattern toward which the minds of the Nicaraguan people might turn in the future, and that having been shown by Americans that such an election was possible, they would be encouraged in the future to adopt permanently a system of free elections with their own efforts. The saving of a nation from anarchy; the termination of a century-old political vice which had destroyed its attempted democracy; the setting of that nation upon the road to a possible orderly self-government—all seemed to me to be a goal worthy of every possible effort.

Of course, such a plan must be based wholly upon the assumption that the Nic-



araguan Government itself would request this assistance and would itself enact the Nicaraguan laws under which Americans, whose names would be suggested by our president, would be appointed by the President of Nicaragua to the various positions of supervision and control.

If those conditions were fulfilled, many international precedents authorized the rendering of such assistance to a sister nation on the part of our chief executive. In fact, an already existing law of our own Congress, under which we have frequently acted in the case of Latin-American nations, authorizes the President of the United States to detail officers of the Army and Navy to assist other nations in their military and naval establishments.

In reaching all these conclusions I had the invaluable help and coöperation of Mr. Eberhardt and Admiral Latimer—as, indeed, was the case throughout my stay in Nicaragua. No step was ever taken or decision reached except after full discussion among us three, and every step taken



I think without any exception met the approval of all.

Before taking the steps hereafter narrated, I had, of course, cabled to Washington our views as to the importance of American supervision for the 1928 election as an essential element in obtaining a peaceful settlement and received a cable indicating that the president would be willing, on the request of the Nicaraguan Government and under Nicaraguan law, to recommend a commission for the supervision of this election.

#### CRYSTALLIZING THE SITUATION

All these matters were fully discussed with President Diaz and members of his cabinet and met with their concurrence. On April 22 President Diaz placed in my hands the following memorandum of peace terms which he was willing should be suggested to the Liberals:

1. Immediate general peace in time for the new crop and delivery of arms simultaneously by both parties to American custody.

2. General amnesty and return of exiles and return of confiscated property.

3. Participation in Diaz's cabinet by representative Liberals.

4. Organization of a Nicaraguan constabulary on a nonpartisan basis commanded by American officers.

5. Supervision of election in 1928 and succeeding years by Americans who will have ample police power to make such supervision effective.

6. Continuance temporarily of a sufficient force of marines to make the foregoing effective.

Liberal leaders in Managua had already communicated with Doctor Sacasa at Puerto Cabezas and suggested that he either come himself to meet me or send delegates for that purpose. I thereupon handed to them a copy of those proposed peace terms, telling them that I felt confident that President Diaz would make a settlement on that basis and that I thought it was a fair and generous proposition. At the same time I told them that it was postulated upon Mr. Diaz remaining in office until the completion of his present term in 1928, and this fact, together with the peace

terms, was then cabled to Doctor Sacasa by the Managua Liberals.

REASONS WHY IT WAS DEEMED NECESSARY  
FOR DIAZ TO COMPLETE HIS UNEXPIRED  
TERM

Mr. Diaz himself, in one of his conferences with me, expressed his own readiness to retire voluntarily, if such retirement were essential to a peace settlement. The result of my investigations, however, convinced me that only through his remaining in office was an immediate peace settlement possible. Under the Nicaraguan Constitution he was ineligible to be a candidate in the election in 1928 to succeed himself. The situation in his case, therefore, could not be complicated by personal ambitions.

He was so convinced of the necessity of American supervision for that election that in order to make it entirely fair he was ready to surrender all the traditional power of the presidency which had been heretofore used to influence and control election



results. He was willing to disband the army; he was willing to take the necessary executive and financial steps to establish an impartial constabulary and to appoint as the officers thereof Americans recommended by our president. He was ready to advocate legislation—and in Nicaragua presidential advocacy of legislation usually means the enactment thereof—to provide for boards of election with American chairmen who should preside over the ballot boxes and command the services of the constabulary to prevent disorder and intimidation. In other words, in order to secure a fair election, he was ready to withhold the traditional powers of his office and make himself a virtual figurehead in respect to election control.

All these matters had been fully discussed with him, and his intelligent approval and coöperation were assured. His record in international relations with us showed that his word could be relied upon. We could be sure of these essential condi-



tions in no other way than through Diaz remaining in office.

Suggestion has been made that the proper course to have followed would be to have both Mr. Diaz and Doctor Sacasa retire in favor of some neutral substitute. That suggestion is based upon complete ignorance of Nicaraguan conditions. No such neutral existed or could possibly exist in Nicaragua. For days I sat listening to suggestions of substitutes for Diaz and found behind every candidate suggested an ulterior expectation of partisanship. Neutrality might be achieved by the appointment of an American or other foreigner as chief executive—or, in other words, by the establishment of what would amount to a foreign receivership of the government—and some critics have not hesitated to suggest that course. But obviously it would have both violated the Nicaraguan Constitution and transgressed the executive powers of the American president to appoint such a man.

Our peace settlement must necessarily be carried out under the Nicaraguan Constitution, and to obtain any substitute for Diaz under that constitution would have involved fatal delay and created immediately new political controversies even worse than those which had arisen over the legitimacy of the Diaz presidency.

Under the Nicaraguan Constitution, any successor to Diaz must be elected by the Congress. The legally reconstituted Congress which had elected Diaz in November, 1926, had expired by limitation of term in December, 1926; and owing to the revolution, congressional elections had not been held in several of the most important Liberal districts during the year 1926. The surviving membership of the old Congress, where terms of office had held over, was therefore necessarily strongly Conservative in political complexion. To attempt to elect a successor to Diaz by that rump Congress would inevitably bring violent and just objections from the very Liberals

who opposed Diaz. To hold new elections to fill the vacancies was impossible until there should be peace.

Therefore, in any attempt to change, we would have been held powerless in the grip of inexorable conditions. In the meanwhile, with every day that passed, anarchy crept nearer. At any moment a crisis might arise under which our marines might be drawn into a clash with one side or the other and the situation immeasurably complicated.

It seemed to me clear, therefore, that the only way out was to follow the straight and simple course of driving at the main object of securing a fresh and fair start in 1928 and not to try to play politics in the meanwhile.

This was all the more clear in that the retention of Diaz did not really constitute a source of danger of oppression to the Liberals. In conversation with me, Liberal leaders freely admitted his magnanimity to his political opponents. This



characteristic went to an extent which in the eyes of his own party constituted his conspicuous political weakness. Liberal leaders told me over and over again that Diaz was the Conservative most acceptable to their party.

But they had been fighting him; the Diaz issue had become a political slogan. Their honor, they said, prevented them from voluntarily signing any settlement which retained him even temporarily. The climax of their argument was reached when an earnest Liberal, who had been quite zealous and useful in attempts at a compromise, suggested seriously that if Mr. Diaz would only change his name the whole difficulty would be solved!

#### CONFERENCE WITH SACASA DELEGATES

On April 27 I received word that Doctor Sacasa, though declining to come himself, had appointed Doctor Rudolpho Espinosa, Doctor Leonardo Arguello and Doctor Manuel Cordero Reyes as his delegates and



that they were on their way from Puerto Cabezas on the American destroyer *Preston*. Espinosa was Sacasa's foreign minister and chief adviser, Arguello was a well-known Liberal leader, and Reyes was Sacasa's private secretary. The *Preston* made a record-breaking trip of less than three days round through the Panama Canal, and the delegates were landed at Corinto and reached Managua late in the evening of April 29.

During the two following days Mr. Eberhardt and I were in conference with these delegates. The atmosphere of the conference was friendly and cordial. I outlined my views as to the situation and the suggested peace terms. They expressed general concurrence in my diagnosis of the evil of government-controlled elections and in the proposition for a supervised election in 1928 as the remedy.

They vigorously disclaimed any anti-American feeling on the part of Liberals or any hostile understanding with Mexico.

They asserted that their party recognized that the United States had a legitimate zone of interest and influence extending as far south as Panama and that they considered this fact natural and beneficial in its results to Nicaragua. But they were absolutely silent as to the single point of President Diaz's unexpired term, and at the close of two days I came to the reluctant conclusion that they would not or could not expressly agree to that indispensable condition. The fact, however, that they had come to confer with me with full notice as to my own position on that point, as well as their cordial attitude on all other questions, rather inclined me to the belief that Sacasa's opposition to this one point might, in the last extremity, prove to be only formal.

At the close of the second conference they told me they thought we had progressed as far as we could without conferring with the Liberal commander in the field, General Moncada, and asked me if I

could put them in communication with him. I welcomed this as an opportunity for a conference with Moncada myself, and told them so; and that if they desired it, I would try to get into communication with him; and that if he was willing to confer between the lines of the contending forces, I would go myself with them and after their conference with him would be glad to talk with him myself.

Accordingly they wrote a letter to Moncada, asking either for a conference or that he would send a representative to meet them. Admiral Latimer selected three American officers to take this message through the lines to Moncada, and I reënforced it by sending also a copy of the Diaz peace terms which we were discussing and an urgent invitation that General Moncada should come himself and meet us all personally.



## CONFERENCE WITH GENERAL MONCADA

Major Humphreys, Lieutenant Commander Moran and Lieutenant Frisbie, who carried these messages to Moncada, had a difficult and dangerous mission. Passing through the lines of Central American armies in actual combat is not without hazard, but they succeeded in reaching Moncada's hitherto unknown headquarters, delivered their message and persuaded the general to return with them to the conference. A forty-eight-hour truce between the contending armies was arranged for that purpose. On the afternoon of May 3d I received a message that he would meet me at Tipitapa early the following morning. Tipitapa is a small village on the river connecting Lake Managua with Lake Nicaragua and constituted at that time one of the outposts of the Conservative forces, although their main army lay somewhat farther to the northwest near Tuestepe. Accordingly,



early the next morning, with the Sacasa delegates and with Latimer and Eberhardt, I drove out to Tipitapa.

I felt that much depended upon this conference. Moncada represented the vital force of the revolution and for many months he and his army had been in the mountains and virtually out of communication with the world, including even his nominal chief, Sacasa. For many years he had been an outstanding figure in Nicaragua both as a soldier and as a man of letters. Though a Liberal, he had not hesitated to oppose the Liberal tyrant Zelaya in 1909. He had been a friend to United States influence in Central America, and now, as a man of fifty-six, he had won the respect of all military observers by conducting this difficult campaign at the head of his troops through the jungles and mountains that separated his present position from his point of departure on the Atlantic Coast. I also felt that having personally shared the sufferings and losses

caused by the revolution, he might be less technical in approving a substantially just compromise than the civilian leaders of his party. I was not disappointed.

When in the early morning of May 4 we drove into Tipitapa, Moncada and the three American officers met us there. They were a bit weary from a difficult journey down from the mountains which had lasted until late into the night, but the general was at once ready for business. I turned over to him the three Sacasa delegates and told him that I should be glad to have a conference with him myself after he had finished with them. In about fifteen minutes he came out of the little inn where they had conferred and was ready to meet me.

He and I sat down under a large black-thorn tree near the dry river bed. He spoke English with unusual simplicity and directness, so no interpreter was needed. In less than thirty minutes we understood each other and had settled the matter. He

had read the peace terms and fully approved them—all except the unexpired term of Diaz, which he said he could not in honor ask his army to accept, as it had been fighting against Diaz all winter. But though he might outmanœuvre and sometimes beat Diaz's armies, he frankly admitted that neither he nor any Nicaraguan could, without the help of the United States, end the war or pacify the country; so that the situation would necessarily grow worse each month. If I would assure him that we insisted on Diaz as a necessary condition to our supervision of the election, he would not fight the United States. He said he did not wish a single life to be lost on that issue between us. If I would give him a letter to that effect, he would use it to persuade his army to lay down its arms.

In short, the gist of the situation was that while he felt he could not, in view of past history, voluntarily make such a settlement, if our government was ready to accept the invitation of the Nicaraguan



Government to supervise the election of 1928 and insisted on Diaz finishing out his term as a condition of that acceptance, he would yield to that decision and do his best to persuade his army to do so.

According to his request, I then and there called in my secretary and dictated the following letter, which was given to him:

TIPITAPA, May 4, 1927.

GENERAL JOSÉ MARIA MONCADA,  
TIPITAPA.

*Dear General Moncada:* Confirming our conversation of this morning, I have the honor to inform you that I am authorized to say that the President of the United States intends to accept the request of the Nicaraguan Government to supervise the election of 1928; that the retention of President Diaz during the remainder of his term is regarded as essential to that plan and will be insisted upon; that a general disarmament of the country is also regarded as necessary for the proper and successful conduct of such election; and that the forces of the United States will be authorized to accept the custody of the arms of those willing to lay them down, including the gov-

ernment, and to disarm forcibly those who will not do so.

Very respectfully,

HENRY L. STIMSON.

I included the last sentence not as a threat to Moncada's organized and loyal troops, who, I was confident, would follow their leader's direction, but as a needed warning to the bandit fringe who were watching for any sign that we were not in earnest in order to indulge their taste for pillage once the government troops had laid down their arms and there remained no force in the country other than the Americans able to restrain them.

On Moncada's suggestion, the Sacasa delegates were called in and told of my decision. After a few moments' consultation, they told me that Sacasa would not resist the action of the United States. Moncada soon afterward returned to his army and in a few days informed me by message that he had been invested with full authority to conclude our negotiations.

In the meanwhile, without waiting for this message, President Diaz had taken certain steps which greatly aided the successful termination of the settlement. On May 5 he proclaimed an immediate general amnesty and permitted all his political enemies to return freely to the country. He proclaimed the freedom of the press and gave to Moncada express permission to issue through the press a general proclamation to the Liberals. He gave public notice that the membership of the supreme court, which had been illegally disrupted by his predecessor, General Chamorro, would be restored to its original status. He agreed to appoint Liberal *jefes politicos*, or governors, at the heads of the six Liberal provinces of the country in place of the Conservatives who then occupied those positions. Subsequently he appointed several of Moncada's former generals to those positions.

On May 11 we met Moncada again at Tipitapa. He asked me for assurances on



several points that had been raised by his army and I then dictated and gave him the following letter :

TIPITAPA, NICARAGUA.

May 11, 1927.

GENERAL JOSÉ MARIA MONCADA,  
TIPITAPA.

*Dear General Moncada:* I am glad to learn of the authority that has been placed in you by your army to arrange for a general disarmament. I am also glad to make clear to you and to your army the attitude of the President of the United States as to this matter. In seeking to terminate this war, President Coolidge is actuated only by a desire to benefit the people of Nicaragua and to secure for them a free, fair and impartial election. He believes that only by such free and fair elections can permanent peace be secured for Nicaragua. To insure this in 1928 he has consented to the request that American representatives selected by him shall supervise the election. He has also consented to assign American officers to train and command a nonpartisan national constabulary for Nicaragua which will have the duty of securing such a fair election and of preventing any fraud or intimidation of voters. He is willing also to leave in Nicaragua until after the election a sufficient force of marines to support

the work of the constabulary and insure peace and freedom at the election.

As further evidence of the good faith of the American Government and of the present Nicaraguan Government in this matter, I am glad to tell you what has already been done. It will answer the questions contained in the letter of your soldiers which you have shown me. General amnesty has already been granted by the President of Nicaragua. I have recommended to President Diaz that the Supreme Court be reconstituted by the elimination of the illegal judges placed in that court under Sr. Chamorro. President Diaz has already called upon those judges for their resignations and I believe that those resignations will be obtained. I have already advised that the Congress be reconstituted by the holding of special elections in those Liberal districts where elections were not held in 1926, under conditions which will insure that the Liberal voters will be amply protected in their rights. I have also recommended that members of Congress illegally expelled by Sr. Chamorro, whose terms have not yet expired, be reinstated. I have been assured that this will be done.

I have recommended that Liberal *jefes politicos* be appointed in the six Liberal districts of Bluefields, Jinotega, Nueva Segovia, Esteli, Chinandega and León. I have been assured that this will be done.

In short, I have recommended that steps be

taken so far as possible to restore the political condition as it existed in Nicaragua before the Chamorro *coup d'état* and I believe that so far as possible it will be done.

I hope that these steps will assure you and your army of the fairness of the United States Government and its desire to see peace, justice and freedom reëstablished in Nicaragua without any unfairness or favoritism toward any party, but being regardful of the rights of Liberals and Conservatives alike.

Very respectfully yours,

HENRY L. STIMSON.

He assured me that this letter would be fully satisfactory to his army and then himself formally dictated the following statement:

The Liberals cannot believe that the United States Government, through the personal representative of President Coolidge, will give a promise which it will not fulfill.

Once again the Liberals place their confidence in the United States. The leaders of the army will try to convince their men that this promise of fair elections will be fulfilled. The central point which the army wishes to be assured of is that the United States will do its best to give Nicaragua a fair election in 1928.



He then returned to his army and on the following day I received a telegram signed by him and by all his chieftains except Sandino formally agreeing to lay down their arms and asking that American forces be immediately sent to receive them and "guarantee order, liberty and property." This was done. The Diaz government had agreed to pay the soldiers of both sides ten dollars for every rifle or machine gun turned in and in this way solved the question of back pay or pensions for both sides. Within a week more than 9000 rifles, 296 machine guns and nearly 6,000,000 rounds of ammunition were turned in to the United States marines from both Conservative and Liberal forces.

The semi-independent bands of guerrillas, including the aggressive force of Cabulla, which had been operating in the neighborhood of the city of Chinandega, followed Moncada's example and turned in their arms. The only exception was Sandino, one of Moncada's lieutenants, who,

as Moncada told me, having promised to join in the settlement, afterward broke his word and with about 150 followers, most of whom he said were Honduran mercenaries, had secretly left his army and started northward toward the Honduras border. I was told that Sandino had lived in Mexico for twenty-two years, where he served under Pancho Villa, and only came back to Nicaragua on the outbreak of the revolution in order to enjoy the opportunities for violence and pillage which it offered.

A force of marines and of the new constabulary constituted under the peace settlement were subsequently sent out after Sandino into the wild country of the north. On July 16 Sandino's force, augmented by other lawless individuals who had drifted in the interval to him, attacked a much smaller group of marines and constabulary at Ocotal, near the Honduras border, and were repulsed with severe losses. Later cable dispatches from our minister indi-

cate that Sandino's following has now practically dispersed.

In contrast with the sensational statements of some of our own press, the following public statement issued by General Moncada after the affair at Ocotal fairly describes the Sandino incident:

Existing on money from both natives and foreigners and merchants at Jinotega, as he had done before under threats of pillage and bloody reprisal, he—Sandino—interned in the mountains, took foreigners in the army and dedicated his time to murdering his enemies, both Conservatives and Liberals. He proved extremely cruel to prisoners, to whom life was never pardoned. I will not approve such a kind of war. I will never accept it. . . .

In order to defend the cities of Jinotega, Esteli and Ocotal, the American command sent marines and soldiers of the Nicaraguan National Guard. Eighty-seven men of these mixed forces existed at Ocotal when it was attacked by Sandino and an overwhelming force. Sandino threw himself against them with all his army. The defenders resisted heroically for sixteen hours. . . .

Sandino suffered great losses, exceeding 400 men. This, of course, has not been murder. There was an armed conflict in a legitimate de-



fense. We Liberals are greatly sorry for the death of our brothers, but it is our duty to deny all contact with mercenaries, censuring such a war lacking in ideals. In Nicaragua the Liberals greatly desire peace and are confident of the word of the President of the United States given to us through his personal representative, Mr. Stimson. All the other Liberal chiefs except Sandino complied with their duty.

The final announcement of our settlement met with general demonstrations of joy and satisfaction in Nicaragua. Of course, a few extreme politicians on each side were displeased. Some Conservative leaders thought Diaz altogether too generous; some Sacasa extremists thought Moncada a traitor. But there was no mistaking the general feeling of the people. There was an immediate rush of the peasants in both armies to get back to their farms in order to be in time to plant the new crop.

In Managua, when Moncada entered the city, after his troops had laid down their arms, there was a popular demonstration

of Liberals as to a victorious general and the Conservatives good-naturedly stood aside and permitted the festival. There were also general manifestations of gratitude to the United States. Far from being the victim of any hostile demonstration, I received marked expressions of their goodwill from both sides.

The University of Granada, a hotbed of conservatism, conferred an honorary degree upon me, while on the same day, by invitation, I addressed the assembled chiefs of the Liberal army. These generals, side by side with their former bitter enemies, the Diaz cabinet, were at the railroad station to bid our party farewell when we left Managua on May 16.

Coupled with these incidents were many little evidences of friendly good-will from both sides, which only a warm-hearted Latin-American people know how to give. As we sailed away there remained with me as an earnest of the hopeful future of Nicaragua the memory of two patriotic men,

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one a Conservative and one a Liberal, each willing to sacrifice personal ambition and party interest to the higher welfare of his country and each willing to trust in the honor and good-will of the United States —Adolfo Diaz and José Maria Moncada.



### CHAPTER III

#### LANDMARKS OF OUR POLICY IN FUTURE

In preceding chapters I have attempted to describe the development of our American relations to the Republic of Nicaragua, leading up to and culminating in the settlement which was negotiated last May. Under that settlement the devastating war between the Nicaraguan Government and the revolting Liberals was terminated, and as a part of the settlement our president undertook to assist in the supervision of the coming election in 1928 in order that the question of which party should control the government thereafter should be decided by peaceful instead of warlike methods. In assuming this responsibility toward our sister nation, President Coolidge was actuated by the hope not only that peace would be reëstablished in Nicaragua but that a permanent constructive step was

being taken which would assist that country in maintaining in the future an orderly and independent government.

His action has already been criticised in some quarters as an encroachment upon the sovereignty of Nicaragua and an act of selfish imperialism on our part. For myself, I believe that his action follows well-known principles of law and amity recognized among nations, and not only will not impair the independence of Nicaragua but will conduce toward placing it upon an assured foundation. If I am right in this respect it is important that the situation should be recognized and understood among our own people as well as among our Latin-American neighbors. This problem has the peculiar difficulty of all problems in international relations. In such problems, with mutual confidence, everything can be accomplished; without mutual confidence, nothing. Therefore the common interest of all concerned depends upon establishing a condition of mu-

tual understanding coupled with good-will and confidence. This is especially important where, as here, the differences between us and our Latin-American neighbors in language, racial temperament, habits and customs so easily make for misunderstanding.

Let me therefore try to outline certain general landmarks which seem to me to be clear and to govern what has been done in the past as well as to guide what is to be done in the future.

## I

In the first place, it is perfectly clear that our relations with Nicaragua, as with all Latin-American nations, must proceed on the strict assumption of their continued existence as independent nations and with scrupulous regard for that independence. We recognized them all as independent nations more than a century ago, and in the language of President Monroe, we took that step "on great consideration and on



just principles acknowledged.” More than that, we then and there served notice on the rest of the world that these nations were to remain independent and were thenceforth “not to be considered as subjects for future colonization by any European powers.”

The Monroe Doctrine, far from being the assertion of any rights on our part over these American neighbors, was a solemn assertion of a duty on our part toward them. It conferred on us no claim to suzerainty over them. It placed us under an obligation toward them to respect their independence, and it double-tied that obligation by its notice to Europe that we regarded Latin-American independence as so important to us that we were ready to fight for it. Therefore those who speak of our establishing a protectorate over any of these American nations would impute to us a readiness to violate a national obligation taken in the most formal and deliberate manner.

A century has now passed since this announcement was made and this attitude assumed—a century of independent existence on the part of these nations, with its struggles, sacrifices and sacred traditions. They have become deeply proud of their national existence and would be keenly resentful of any suggestion of a threat to deprive them of it.

## II

On the other hand, it is only proper that our Latin-American neighbors, in approaching this question, should keep in mind our long and honorable fulfillment of this obligation. For a century we have been the scrupulous protector of their independence, not only against Europe but sometimes even against themselves. This last is particularly true in respect to the republics of Central America. On more than one occasion has one or the other of them come to us with proposals for annexation or for a cession to us of portions

of their territory and we have declined the offer.

The first of these offers came in 1822, when the Emperor of Mexico, Iturbide, was trying forcibly to annex the five Central American republics to Mexico. The Congress of Salvador, on December 2 of that year, passed a formal resolution for annexation to the United States and sent a commissioner to Washington to urge favorable action thereon. During the past fifty years Guatemala, Costa Rica and Honduras have all sought to cede or sell to us coaling stations, naval bases or wireless stations on their coasts or islands.

The number of occasions when we have stood between the independence of Latin-American nations and danger from Europe or from each other makes a catalogue so long that only a few typical instances can be repeated here. In the early years of their independence our influence was constantly used to intercede with Spain in order that that country should finally rec-



ognize the independence of her former colonies. In 1865 it was the threat of our power which obtained the withdrawal of French imperialism from Mexico and resulted in the downfall of the Emperor Maximilian. It was our friendly influence which resulted in 1859 in treaties providing for the return by Great Britain of the Belize territory to Guatemala, the Bay Islands to Honduras and the Mosquito Coast, including Greytown, to Nicaragua. In 1895 it was the pressure of our government which secured the submission to arbitration of the boundary dispute between Great Britain and Venezuela and which in 1902 and 1903 procured the successful solution by arbitration of disputes between Venezuela, Germany, Italy and Great Britain.

If during all this century we had been guilty of imperialistic designs upon these smaller countries, our surest means of gratifying those designs would have been to promote and foster such disagreements

and quarrels as now and then broke out between them and thus avail ourselves of the chance to fish in troubled waters. Instead of that, our influence has uniformly been used for peace. For more than forty years our State Department has been seeking to solve the long-standing dispute between Chile and Peru over the possession of the province of Tacna-Arica arising out of the war between those countries in 1879—a dispute which has frequently threatened the peace of South America.

A quite common form of disagreement between American nations has been a dispute over a doubtful boundary line. At the present moment the friendly efforts of the United States are being exerted to secure the settlement of such a boundary question in no less than five cases—between Peru, Colombia and Brazil; between Haiti and the Dominican Republic; between Panama and Costa Rica; between Nicaragua and Honduras; and between Honduras and Guatemala. Better evidence of our con-

stantly pacific policy could hardly be offered.

Nor have our efforts been confined to cases of disagreement or quarrel. Our government, particularly during late years, often has been asked and has granted its assistance in matters requiring expert advice—matters of sanitation, finance, economic development or military instruction. Examples of such cases are General Gorgas' visit to Guayaquil, Ecuador, for yellow-fever prevention; the mission of another health specialist to Chile; of a police expert to Panama; of experts on financial administration to Colombia, Peru and several other countries; military or naval missions of instruction to Brazil and Peru. Our Government Schools of Agriculture and our Military Academy at West Point are open for instruction to their young men.

Quite apart from this governmental work, the Rockefeller Foundation, during the past few years, has spent more than



\$1,000,000 in Central America alone, in teaching the people of those five republics the laws of sanitation and how to combat hookworm, malaria and other tropical diseases. On my recent stay in Managua, the capital of Nicaragua, I was able to drink pure water because the Rockefeller Foundation had thus assisted in the establishment of a proper water supply for that city.

It is, I think, a fair statement that since our recognition of the independence of these nations, and particularly in later years, as modern improvements in steam communication have brought the countries of the world closer and closer together, our American influence, both public and private, has been uniformly and intelligently used to help them in the better performance of all those activities and responsibilities upon which the maintenance of independence and of world peace so largely depend.

## III

In this connection it is interesting to note that the two matters which have been principally seized upon by our critics in Latin America as evidencing a contrary and imperialistic policy on our part took place three-quarters of a century ago and largely under an influence which no longer exists in the United States. Our alleged spoliation of Mexican territory at the time of the Mexican War and the popular encouragement given in this country to the filibustering expedition of William Walker to Nicaragua eight years later have been the two incidents most commonly used by hostile critics to offset the long and honorable record to which I have referred.

Both these took place at a time when negro slavery was a real and dominating power in the United States, seeking to acquire new territory under the Southern sun for the furtherance of its peculiar interest; and it was among the adherents of that slave power that the Mexican War

and the Walker Expedition received their most ardent support.

Not only has negro slavery long since been washed out in the blood of a great Civil War but there has taken place much more recently an almost equally great change of public sentiment in the United States militating against any policy of imperialism. I refer to the change of public sentiment toward American self-government which has been recently embodied in our new immigration laws. Our former loose optimism has disappeared. We recognize now more adequately the real difficulties of popular government and the danger to that institution of trying to blend into our nation a too rapid influx of citizens having political experiences and traditions entirely different from our own.

This radical change of popular feeling shown as to immigration sets itself equally against the incorporation into our nation of new territory already occupied by men and women of different language and po-



litical habits. The United States has ceased to be an absorbing power.

#### IV

Our real attitude toward the sovereignty of Latin-American nations is most convincingly and adequately shown by the principles and rules of order which have governed the successive Pan-American Conferences as well as the Pan-American Union. These two great institutions were founded upon our initiative nearly forty years ago. To go into the details of the beneficent work which they have been accomplishing ever since would be impossible within my present limitations. But for the purposes of this book it is sufficient to remind the reader that in the conduct of these conferences the principle of the legal equality of the participating states, from the greatest to the smallest, is recognized to the fullest extent, and action is taken only by unanimous consent. This absolutely precludes the idea or use of force.

No majority of states can conclude a minority even of the smallest and weakest. This is in striking contrast to the Concert of Europe, where only the great powers were admitted on a basis of equality; as well as to the constitution of the League of Nations, where the Council is similarly controlled by the great powers.

Through these Pan-American instrumentalities our country and its neighbors, for nearly half a century, have been working toward a Pan-Americanism based upon the legal equality of independent nations and having for its ideals certain common conceptions of political action. Their effort has been thus described by an eloquent Peruvian, Señor Francisco Garcia Calderon:

“Though the North American is Protestant and the Ibero-American is Catholic; though they speak different languages and respond to a different logic, yet they derive from like lands, from a uniform system of government, from a growth free from secular traditions, from the absence of

rigid castes, from a community of generous principles, such as arbitration and the love of peace, and from general enterprises of utility, an active Pan-Americanism, theory and militant reality, practical crusade and romantic apostleship."

## V

While the foregoing résumé indicates the principles and methods which have governed our attitude toward the sovereignty and independence of Latin-American nations in general, there are certain geographical considerations which impose upon us a very special interest as to how certain ones of these nations fulfill the responsibilities which go with sovereignty and independence. I refer to those Central American nations whose territory lies adjacent to and in a naval sense commands the great sea route from our Eastern to our Western states via the Caribbean Sea and the Panama Canal.

This situation does not arise out of the Monroe Doctrine but from certain broad principles of self-defense which govern the



policy of the United States, as well as of all other nations which are in any way dependent upon the sea. These principles in part underlie the Monroe Doctrine, although they were not at all created by it. They bear a very much closer and more tangible relation to what I may call, for want of a better name, our Isthmian policy than they do to the Monroe Doctrine itself.

The most peculiar characteristic of the Western Hemisphere is the narrow isthmus which connects the two continents of North and South America. Human hands have found it possible to create in the Panama Canal a narrow passage for seagoing vessels. In so doing they have created a vital artery for both the commerce and the naval defense of the United States.

Long before the Panama Canal was built our statesmen recognized the vital and revolutionary part which it would play in our foreign relations. The same geographical feature which made its construc-

tion possible by human hands now renders its destruction possible by the same means. And its destruction in time of war or by hostile hands after our commerce and civilization have become adapted to it and dependent on it would be a grave and possibly fatal source of danger to the United States.

The same result would be produced by hostile occupation of territory commanding the seagoing approaches to the Canal which converge from both our coasts. Consequently for more than half a century and ever since construction of the Canal became an imminent event, it has become a cardinal part of our national policy that such a canal across the Isthmus must be entirely under the control and defense of the United States. This principle was clearly stated by President Hayes in a message to Congress on March 8, 1880, when he said:

The policy of this country is a canal under American control. An interoceanic canal across

the American Isthmus will essentially change the geographical relations between the Atlantic and Pacific Coasts of the United States and the rest of the world. It will be a great ocean thoroughfare between our Atlantic and Pacific shores and virtually a part of the coast line of the United States. Our merely commercial interest is greater than that of all other countries, while its relations to our power and prosperity as a nation, to our means of defense, our united peace and safety, are matters of paramount concern to the people of the United States. No other great power would, under similar circumstances, fail to assert a rightful control over a work so closely and vitally affecting its interest and welfare.

As President Hayes thus pointed out, our policy toward this great sea route through the Canal does not rest upon any attitude of mind which is peculiar to us; it is simply the application of principles and policy which would govern any other nation in a similar situation. Thus Great Britain has a somewhat similar interest in the sea route to her possessions in India and Australia through the Straits of Gibraltar, and we now know from recently



published documents that in 1911, when Germany threatened a possible encroachment upon Morocco near that sea route at Agadir, Great Britain was ready to fight Germany in order to prevent such a peril. The sea route to India is no more vital to Great Britain than the sea route through Panama is to us.

## VI

Out of this principle of national self-preservation follows the corollary of our interest in the stability of the independent governments resting along the borders of the Caribbean and the Eastern Pacific. If those independent governments do not adequately fulfill the responsibility of independence; if they fail to safeguard foreign life within their borders; if they repudiate lawful debts to foreign creditors; if they permit the confiscation within their borders of lawful foreign property—then, under the common usages of international life, the foreign nations whose citizens and

property are thus endangered are likely to intervene in Central America for the legitimate protection of such rights. History clearly shows that such intervention often leads to continuing control.

The failure therefore of one of these republics to maintain the responsibilities which go with independence may lead directly to a situation imperilling the vital interest of the United States in its sea-going route through the Panama Canal. Out of this situation has followed our national policy—perhaps the most sensitive and generally held policy that we have—which for half a century has caused us to look with apprehension upon even the perfectly legitimate efforts of European nations to protect their rights within this zone.

The Monroe Doctrine, as stated by its author, was aimed only against the extension of European government to this hemisphere in the shape of efforts at colonization; no such attempt might be involved in

an effort by a foreign power to protect the lives or property of its citizens in Central America; yet American national policy has properly recognized the danger, and American opinion has been sensitive to any such attempt when it takes place in this peculiar isthmian zone.

This vital policy has underlain the successive efforts of our government to protect the Caribbean Sea from such encroachment, both by securing our own naval protection of it and by forestalling causes for foreign intervention. Establishment of our naval base at Guantánamo is an instance of one of the former steps. The provisions of the Platt Amendment restricting Cuba from incurring foreign debts beyond her ability to pay; the treaty with San Domingo assisting that republic to refund her foreign debt in 1906 at a time when Germany was threatening intervention; the treaty with Haiti for the purpose of assisting in the establishment of order in that sorely vexed republic—all



are instances of the latter class of precautionary steps.

## VII

The natural result arising from such a situation is that if we will not permit European nations to protect their customary rights within this zone, we must, to a certain extent, make ourselves responsible for this protection. To a certain extent, at least, we must assume the attitude of seeing that American countries within this zone fulfill their obligations as independent nations to the outside world.

This Isthmian policy is often confused with the Monroe Doctrine, which had its origin in part in a somewhat similar national interest of the United States against encroachment of European nations in this hemisphere, and this resulting obligation devolving upon us is sometimes spoken of as a corollary of the Monroe Doctrine.

President Roosevelt well stated the entire situation, including its resulting obli-

gation, in his Chautauqua speech on the subject in 1905:

We cannot permanently adhere to the Monroe Doctrine unless we succeed in making it evident, in the first place, that we do not intend to treat it in any shape or way as an excuse for aggrandizement on our part at the expense of the republics to the south of us; second, that we do not intend to permit it to be used by any of these republics as a shield to protect that republic from the consequences of its own misdeeds against foreign nations; third, that in as much as by this doctrine we prevent other nations from interfering on this side of the water, we shall ourselves in good faith try to help those of our sister republics which need such help upward toward peace and order.

These sentences contain the gist of the situation. They also show the true character of this duty which we have assumed. It is in no way an encroachment upon the independence of the Central American countries. On the contrary, it contains a recognition of and an assurance of that independence. For the efforts of the United States, when invoked in such a situation,

are aimed solely at assisting those nations adequately to perform the duties of independence which they have assumed and which we have recognized.

### VIII

Nicaragua is also related to this Isthmian policy of the United States in a peculiar way not common to its four Central American sisters. It contains within its boundaries the transisthmian route, which, by common consent is, next to the Panama route, most feasible for an interoceanic canal. Sooner or later, though not within the lives of this generation or possibly the next, a second canal will be constructed through the isthmus by that route, and this canal when completed will necessarily command the same dominating strategic relation to the safety of the United States as the present one at Panama.

By the Bryan-Chamorro Treaty, ratified in 1916, Nicaragua granted to the United



States the permanent and exclusive right to construct such a canal. Any lodgment of a possibly hostile foreign influence upon the territory of Nicaragua would therefore in a double sense be perilous to the safety of the United States.

## IX

The general principles which stand out from the foregoing analysis of our relations to Latin America are as follows:

Whatever steps we take in Central America must not be in derogation of the rights of those republics as independent nations. A long unbroken course on the part of our government toward them, however, indicates that there is no danger of such dishonorable repudiation of our recognition of their independence 100 years ago, but that, on the contrary, during that century we have been assisting them in every possible way to guard and protect their independence.

The national safety of our own country has, however, imposed upon us a peculiar interest in guarding from foreign influence the vital sea route through the Caribbean Sea and the Panama Canal, and therefore in seeing to it that no cause for foreign intervention may arise along the borders of that route. To protect this interest we are excluding foreign nations from exercising even well-recognized rights of redress against Central American and Caribbean republics whose territory commands that route, and in consequence we have incurred an obligation to see that these foreign nations are protected against injury arising from the failure of those American republics in the exercise of their responsible duties as independent nations. This obligation can be performed without infringement of the independence of these American republics. In fact, its purpose is to assist and develop that independence, and it should be performed in that way and with that purpose.

## X

In the light of this analysis and of these principles, I believe that the history of our recent action in Nicaragua, as I have set it forth in my preceding articles, makes it clear that in no way have we transgressed upon the sovereignty and independence of the government of our sister nation. Every step which we have taken has been upon the earnest request of the Nicaraguan Government. More than that, the principal step which we propose to take—namely, to assist in the supervision of the national election of 1928—is one which we have been formally requested to take not only by the government itself but by the opposition party to that government. General Moncada, who was formerly the commander-in-chief of the revolutionary forces and is now the duly elected political chief of the Liberal Party, has joined in the request of the government that we should so assist in this election, and his action has, I believe, the concurrence of the entire



present directorate of that party in Nicaragua.

I believe therefore it is entirely accurate to say that our presence in Nicaragua to-day is for the purpose of taking an action which we have been requested to take by the government and which has the cordial concurrence of the opposition party in Nicaragua. Such an entire concurrence in any political object is a rare event in a Central American country.

In the next place, the purpose of our action, far from being in derogation of the rights and interests of Nicaragua as a sovereign and independent state, is to promote that independence and sovereignty in the most effective way. We are to assist her to hold for the first time in her history as a republic a free and fair election of her president. She has asked us to do this; her statesmen have freely admitted the prevalence of the ancient evil of government-controlled elections which has destroyed her democracy, and they have asked

our president to assist them in eradicating this evil and starting them afresh upon the road of order and of peace. Can anyone say that this great constructive step is an impairment of her sovereignty?

## XI

Our promise thus to help Nicaragua has been made in the highest spirit of fellowship and coöperation. The difficulties and dangers that will surround the attempt are perfectly evident. We shall be made the target of the criticism of those who are unsuccessful at the election, but we have decided that the chance of rendering such needed assistance is worth the risk. The promise is a sacred one and will be carried out in that spirit. President Coolidge, in nominating General Frank R. McCoy for the position of chairman of the National Board of Elections which is to be created by the Nicaraguan Government, has given the best possible pledge of this purpose. No better-qualified person for such a task,

by virtue of long experience in Cuba, Central America and the Philippines and an honorable record in the fulfillment of difficult tasks, could be found in the United States.

It is to be hoped that the election will not only accomplish the immediate result of determining which of the two great Nicaraguan parties shall control the government for the next four years, but will serve also as a guide and precedent for the future. It is perhaps too much to hope that a single free election will at once terminate evil political habits accumulated through a century, but it can at least serve as a demonstration of what is possible and a pattern for future accomplishment. Furthermore, it can serve to bring into closer mutual confidence our own representatives and those of Nicaragua.

The events of the past three months, since the settlement was agreed upon, thus far indicate the promise of such an outcome. The banditry and violence which at



the time of my visit in May we feared would for many months be an inevitable sequel of the war have quieted down and disappeared with surprising rapidity. The new nonpartisan constabulary is developing efficiency with admirable speed and winning high praise from its American instructors. The illegally disrupted supreme court has been reconstituted to its former legal membership; President Diaz, in a spirit of marked magnanimity, has voluntarily turned over to his Liberal opponents the governorships of the six Liberal provinces, and thus far the spirit which has been maintained after such a bitter war is a remarkable earnest of hope for the future.

## XII

This book has been immediately concerned with the political aspect of the Nicaraguan problem. My mission was primarily concerned with that aspect. But it would be shortsighted to close without call-

ing to the attention of the reader the fact that no solution of these political problems which I have discussed can be complete or final without an attempt at the same time to help Nicaragua to solve the economic problems which underlie them.

Nicaragua to-day is an almost wholly undeveloped country. She not only has no transisthmian railroads or roads of any kind but even the highways in the more populated portion of the country are rudimentary. Much of the acrimony and bitterness which have stained her politics is accentuated by this fact—by the inability of one community easily to communicate with another.

Her industries and manufacturies are undeveloped; her artisan population is scanty; there is almost no middle class between the cultivated leaders of politics and the ignorant peons or peasants; though she is preëminently an agricultural country, even her agricultural methods are primitive and obsolete. For improvement in all

these vital directions she has no capital. Moreover, the havoc and destruction wrought during the recent war have resulted in claims against her government for compensation to those damaged amounting to many millions of dollars. Her treasury has no funds for the payment of these claims, a large part of which are due to small farmers and other Nicaraguans whose property has been taken during the war, and many of whom are thus left destitute.

The intelligent leaders in Nicaragua, both on the side of the government and in the opposition party, recognize these evils and urged upon me the necessity of our help in terminating them. They know that no permanent political reform can be accomplished without the solution also of this problem. They realize that Nicaragua to-day lacks one of the principal foundations for a democratic government in that she has no well-developed middle class of artisans and workers from whose influence



and out of whose problems come the usual activities of democracy.

Such a middle class cannot come into existence until the industries of the country are developed. These industries cannot be developed without capital, and capital can be obtained only by foreign loans coupled with a reform of their fiscal system, including particularly their system of taxation.

The present financial methods of the Nicaraguan Government are inefficient and corrupt. For nearly fifteen years the collection of her customs has been supervised by an American collector of customs under an agreement made between her government and the representatives of the holders of her foreign debt, and this work has been so efficiently carried out as to bring out in glaring contrast the shortcomings which have marked the collection of her other revenues.

In short, not only has she no capital for needed improvements but she cannot raise

the money necessary to pay the interest on loans borrowed for such capital, by taxation under her present methods. As one Nicaraguan put it to me: "Our system of internal taxation has been simple—when the Conservatives are in power the Liberals pay the taxes; when the Liberals are in power the Conservatives pay them." Another, a member of the high commission, told me that he believed an honest and effective system of assessment and collection of these internal taxes would increase the internal revenues of the country by 50 per cent.

Much of this situation is evident at a glance to any visitor to the country. Nicaragua is in the same need to-day, both of inside fiscal reform and of outside capital to develop her resources, that we were after our American Revolution, when we borrowed so freely from Europe and when our credit was saved by the fiscal reforms of Alexander Hamilton. The only obstacle to satisfying this obvious need is the fear of unfounded and reckless criticism.

The only thing that stands in the way of Nicaragua procuring on fair and proper terms the money universally recognized as necessary, as well as the help to reform her fiscal methods which she also requires, is the fear on the part of those who must help carry out such a program that the cry will be raised in this country that our government is going into "dollar diplomacy" and that we are exploiting a helpless republic.

When I came to investigate it I found that this was precisely what had happened seventeen years ago, when our State Department attempted to help Nicaragua after her revolution of 1909 and 1910, when she was in an even worse condition than now. I found that then the State Department, in order to help Nicaragua to get her money on the most favorable terms and to keep her out of the hands of less scrupulous bankers, had persuaded two of the foremost banking firms of America to undertake the rehabilitation of her finances. Although the result of their work has been



highly successful; although the depreciated currency was brought to par; although the war claims were cut down from over \$13,000,000 to less than \$2,000,000; although the principal of her foreign debts was largely paid off and the interest rate thereon reduced to 5 per cent and a surplus produced which enabled the Nicaraguan Government to buy from the foreign stockholders the country's only railroad—yet the criticism and outcry excited among politicians were such that after a few years one of these banking firms withdrew from all further participation in Nicaraguan affairs and respectable bankers now hesitate to lend their assistance.

This is not the way intelligently to help a friendly small republic which is in financial difficulty. No one asks that our government should be free from criticism in its foreign relations. But our government has a right to ask that the criticism leveled against it by its own citizens in respect to those foreign relations shall be respon-

sible and based upon a reasonable amount of investigation of the facts. That has not been the case in the past in respect to the criticism leveled at our Nicaraguan policy.

After a careful and practically uninterrupted study of that policy for the past five months, I feel that not only have we no cause to be ashamed of that page in our history but that it contains the record of a long, patient and intelligent effort on the part of this country to do an unselfish service to a weak and sorely beset Central American state. Such an effort ought to have the widespread commendation of our people. It should be helped to its consummation by their approval and not hampered by their disapproval.

Sixteen years ago, when Secretary of State Knox had first announced his policy of assisting Nicaragua in the maintenance of republican institutions by assisting in the reform of her fiscal system, General Moncada, the present leader of the Liberal Party, thus announced his approval:

It is to be hoped that the spirit of the Knox note may be raised to the dignity of a principle of government, like the Monroe Doctrine, and that it may be proclaimed frankly in the face of the entire world. There are no reasons for concealing this tendency of American politics, as no power can object to the reign of order and liberty.

A year later, when Mr. Knox visited Nicaragua, Mr. Diaz, then and now the leader of the Conservatives and now president of the country, in welcoming Mr. Knox said:

As an admirer of that policy [of the Knox note] by reason of its evident results in other fortunate Latin countries, I live in the firm intention of accepting that friendly influence so long as I myself have any influence in the destinies of my country. . . . We are weak and we need your strong help for the regeneration of our debilitated land. The hand which your Government generously and fraternally extends to us, I accept without reserve or fear, for I know that it belongs to a people which has made a religion of liberty, and, educated in and for freedom, loves its independence above everything and respects the independence of others.



A policy of helpfulness, which was thus accepted by Nicaragua in the same spirit in which it was offered by our government, should not be poisoned and rendered of no effect by ignorant or partisan attacks in the United States.









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